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District of New Hampshire

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**MEDIA RELEASE**  
**FOR IMMEDIATE RELEASE**  
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**LEBANON DENTIST AND HUSBAND CHARGED IN TAX CASE**

**CONCORD, NEW HAMPSHIRE** - Elaine A. Brown, D.M.D., and her husband, Edward L. Brown, were arrested today on federal income tax and related charges. Dr. Brown owns and operates a dental practice under the name Half Hollow Dental Center in Lebanon, New Hampshire. The Browns reside together in Plainfield, New Hampshire. Dr. Brown is 65 years old, and Mr. Brown is 63.

According to a seventeen count indictment unsealed today in federal court, the Browns failed to report and otherwise evaded the payment of taxes on more than \$1.3 million in income that Elaine earned as a dentist from 1999 through 2003. The indictment also alleges that Dr. Brown failed to collect and pay employment taxes for her dental office employees for any period since December 2001. The indictment alleges that the Browns' tax scheme resulted in a tax loss of more than \$500,000. According to the indictment, the Browns attempted to justify their non-payment of taxes by asserting, among other theories, that the tax laws were unconstitutional and voluntary. The indictment further alleges that the Browns broke large currency transactions into smaller ones to avoid federal currency transaction reporting requirements in violation of the federal structuring laws. Finally, the proposed indictment seeks the criminal forfeiture of the Browns' residence in Plainfield and a professional office owned by the Browns in Lebanon.

The indictment charges Dr. Brown with five counts of income tax evasion, one for each tax year from 1999 through 2003, and both Browns with one count of conspiring to evade Elaine's income taxes during the period from April 1997 through 2003. The indictment further charges both of the Browns with seven substantive counts of structuring financial transactions to avoid the currency transaction reporting requirements and one count of conspiracy to structure. The charges also include, against Dr. Brown only, eight counts of failing to collect employment taxes. The Browns face terms

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of imprisonment of up to five years and a maximum fine of \$250,000 on each of the tax counts and up to ten years in prison and a maximum fine of \$500,000 on the structuring counts. The Browns will be tried on July 18, 2006, before Judge Joseph A. DiClerico. They have been released pending trial.

This matter was investigated by the Portsmouth office of the Division of Criminal Investigation of the Internal Revenue Service and the U.S. Postal Inspection Service. The arrest was executed by the U.S. Marshals and the New Hampshire State Police, with assistance from the Lebanon and Plainfield Police Departments. The prosecution is being handled by Assistant U.S. Attorney Bill Morse.